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*To ensure access to high-quality,
patient-centered, cost-effective
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residents through direct services at
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collaboration with community and
university partners.*



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December 6, 2011

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO AGREEMENT WITH HEALTH
MANAGEMENT SYSTEMS, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 Votes)**

CIO RECOMMENDATION: APPROVE ☒] APPROVE WITH
MODIFICATION ☐] DISAPPROVE ☐]

SUBJECT

Request approval of an Amendment to extend the term of an Agreement with Health Management Systems, Inc. for proprietary Patient Management Systems software for the Department of Health Services, and Health Center Operations system software for the Department of Public Health and increase the maximum contract sum for the extended period.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 5, to Agreement No. H-211033 with Health Management Systems, Inc. (HMS), effective on date of Board approval to 1) extend the Agreement term for the period December 31, 2011 through December 30, 2013, for the continued provision of computer system software and application maintenance, support, and training for Patient Management System (PMS) software for the Department of Health Services (DHS) and Health Center Operations (HCO) system software for the Department of Public Health (DPH) and increase the Agreement's Contract Sum by \$7,784,319 for DHS and by \$469,834 for DPH for the two year period and 2) add two one-year options to further extend the term of the Agreement

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#19 DECEMBER 6, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

through December 30, 2015 with an increase in the Contract Sum for the extension period.

2. Delegate authority to the Directors of DHS and DPH, or their designees, with mutual written consent of HMS, to exercise the two one-year extension options through December 30, 2015 at a maximum increase in the Contract Sum of \$8,898,961 for the two years, subject to review and approval of County Counsel and notice to your Board and the Chief Executive Office (CEO). DHS will take the lead for Amendment No. 5 execution, but each director will be responsible for their respective portions of Amendment No. 5.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

California Code of Regulations Title 28, Article 9, Sections 1300.75.4.3 and 1300.84.6 (Title 28) requires managed care health plans, including DHS' Community Health Plan (CHP) administered by the Ambulatory Care Network (ACN), to have a member enrollment and reporting system. The PMS component of the Agreement satisfies this requirement, as well as provides functionality for eligibility verification, authorizations, and claims processing for the Medi-Cal Managed Care Program, Healthy Families Program, In-Home Supportive Services Provider Plan, Healthy Way LA Program, and General Relief Health Care Program. The HCO component is required by DPH in order to support the public health centers' information management needs for each facility's patient registration and scheduling. The system serves as a repository to capture encounter codes for the purposes of billing Medi-Cal and tracking clinic workload.

Approval of the recommendations will allow the Director to execute an Amendment to the HMS Agreement, substantially similar to Exhibit I, to ensure uninterrupted day-to-day operations and continued maintenance, support, and training for the proprietary PMS software for DHS and HCO software for DPH. The current Agreement expires December 30, 2011.

Moreover, as instructed by your Board in December 2005, DHS was in the process of procuring a replacement system for PMS. In May 2008, a Request for Proposal was released for an integrated healthcare payer solution to replace PMS. In March 2010, DHS began negotiations with the highest ranked proposer. However, in April 2010, negotiations were put on hold due to impending changes in DHS' strategic direction and initiatives based on the following (subsequently, the proposer's proposal expired on June 30, 2011):

- On April 1, 2010, the County CEO released a report and made recommendations to your Board regarding Health Management Associates' evaluation of Office of Managed Care/Community Health Plan (OMC/CHP) and DHS' readiness for healthcare reform.

- On April 13, 2010, your Board approved, among other recommendations, that the CEO convene negotiations with DHS and L.A. Care Health Plan to determine if a new relationship can be forged to assure mutual benefit and long-term sustainability for DHS in healthcare reform.

As a result, DHS is currently transforming and restructuring from an episodic, hospital focused system to an integrated ambulatory and managed care delivery system. This includes, but is not limited to, restructuring the OMC and Office of Ambulatory Care into the new Ambulatory Care Network to oversee ambulatory and managed care services, transitioning CHP members to L.A. Care Health Plan, and establishing patient-centered medical home (PCMH) teams at ambulatory care facilities. PMS will be a critical component to the PCMH process as the primary source for storing DHS patient-to-primary care provider assignment information. In the meantime, DHS is continuing to pursue replacing PMS with other alternatives in line with its new strategic direction. The recommended extension period will provide time for DHS to complete that process.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Goal 1, Operational Effectiveness, and Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

This Amendment will extend the term for two additional years, for the period December 31, 2011 through December 30, 2013, at a maximum cost of \$8,254,153, and upon the written mutual consent of County and Contractor, two (2) one-year optional extensions through December 30, 2015 at a maximum cost of \$8,898,961, for a total maximum cost of \$17,153,114. Included within the maximum cost for Amendment No. 5 is a rate increase from Amendment No. 5 which increases funds required for DHS by \$191,166 and DPH by \$3,912 for a total increase of \$195,019. Attachment A delineates the three (3) areas of impacted by rate increases.

Funding for the first year of the extended term is included in the Fiscal Year 2011-12 Final Budget for DHS and DPH, and will be requested in future fiscal years as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In January 1984, the Purchasing Agent issued a purchase order to Global for the installation of a proprietary Global PMS product through a competitive bid process. Since that time, DHS has recommended renewal of this Agreement with HMS because of the proprietary status of the PMS software and HCO system software.

On August 30, 1994, your Board approved Agreement No. H-203925 with Global Health Systems, Inc. (Global) for the provision of computer software system maintenance services for the PMS software and HCO system software.

On October 29, 1996, your Board approved Agreement No. H-206448 with Global for the continued provision of the same services. On June 17, 1998, your Board approved Amendment No. 1 to Agreement No. H-206448 to acknowledge the transfer of ownership from Global to HMS and assignment of the Agreement to HMS.

On January 12, 1999, your Board approved Agreement No. H-210100 with HMS for the continued provision of the same services through December 30, 1999.

On December 14, 1999, your Board approved the current Agreement No. H-211033 with HMS, for the continued provision of computer software system maintenance services for PMS and HCO, through December 30, 2002.

On December 10, 2002, your Board approved Amendment No. 1 to the Agreement with HMS, for the continued provision of computer software system maintenance services for PMS and HCO, through December 30, 2004, with a one-year optional extension of the term through December 30, 2005.

On March 18, 2003, Amendment No. 2 to the Agreement was executed to add Health Insurance Portability and Accountability Act language only. On October 6, 2004, under delegated authority provided in the Agreement, DHS extended the term for an additional 12-month period, ending December 30, 2005.

On December 6, 2005, Amendment No. 3 to the Agreement was approved to extend services from December 31, 2005 through December 30, 2007, with an optional extension of the term through December 30, 2009, for the continued provision of computer software system maintenance services for PMS and HCO. At that time, your Board expressed an interest that OMC move toward implementing its strategic direction to migrate away from PMS and required a written status report every six months regarding the procurement of a replacement system for the PMS. DHS has been providing those reports as requested to your Board. On November 19, 2007, under delegated authority provided in the Agreement, DHS and HMS mutually consented to extend the term to December 30, 2009.

On December 2, 2008, Amendment No. 4 to the Agreement was approved to extend services from December 31, 2009 through December 30, 2010, with an optional extension of the term through December 30, 2011. On August 25, 2011, under delegated authority provided in the Agreement, DHS and HMS mutually consented to extend the term through December 30, 2011.

The Agreement may be terminated for convenience by the County upon 60 calendar days written notice.

The Agreement includes all Board of Supervisors' required provisions, including the most recent insurance provisions. Approval of Amendment No. 5 will: update the standard provisions of the Agreement; update The Business Associate Protected Health Information Disclosure Agreement; and add Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program to the Agreement.

County Counsel has approved Exhibit I as to form.

The HMS Agreement is not a Proposition A Agreement since the services are of an extraordinary, professional nature, and therefore, not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this recommended extension will ensure the continued provision of computer system software and application maintenance, support and training for PMS until such time as a replacement system is implemented. This will also provide uninterrupted operations and support for HCO.

Respectfully submitted,


Mitchell H. Katz, M.D.
Director

Reviewed by:


Richard Sanchez
Chief Information Officer

MHK:KH:rt

Enclosures (4)

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
BOARD LETTER ATTACHMENT A TO AGREEMENT H-211033**

SCHEDULE OF RATE INCREASES

DHS PMS	TERM		
	Annual	Contract Yr	Calendar Yr
Project	\$0.00	13	2012
Administration	\$3,768.36	14	2013
	\$3,824.88	15	2014
	\$3,882.24	16	2015
Total	\$ 11,475.48		

No rate increase from Amend#4 - Contract Year 12.

Other	\$0.00	13	2012
Professional	\$58,448.64	14	2013
Services -	\$59,877.12	15	2014
Custom Prog	\$61,305.60	16	2015
Modifications			
Total	\$ 179,631.36		

No rate increase from Amend#4 - Contract Year 12; increase in hours from 11,404 to 11,904.

DPH HCO	TERM		
	Annual	Contract Yr	Calendar Yr
HCO	\$0.00	13	2012
Application	\$1,284.92	14	2013
Software	\$1,304.19	15	2014
	\$1,323.75	16	2015
Total	\$ 3,912.86		

No rate increase from Amend#4 - Contract Year 12.

DHS	\$179,631.36	
DHS	\$11,475.48	
DPH	\$3,912.86	
TOTAL	\$ 195,019.70	

Total dollar Rate Increase

TOTAL	\$ 195,019.70	
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CIO ANALYSIS

AMENDMENT NUMBER FIVE TO AGREEMENT NUMBER H-211033 WITH HEALTH MANAGEMENT SYSTEMS, INC. FOR PATIENT MANAGEMENT SYSTEM SOFTWARE AND HEALTH CENTER OPERATIONS SYSTEM SOFTWARE

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
 ☐ DISAPPROVE

Contract Type:

☐ New Contract ☒ Contract Amendment ☐ Contract Extension
☒ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 2 Yrs # of Option Yrs – 2 one-year options

Contract Components:

☐ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Mitchell H. Katz, Director – Department of Health Services

Budget Information :

Y-T-D Contract Expenditures	\$ 25,767,378
Requested Contract Amount	\$ 17,153,114
Aggregate Contract Amount	\$ 42,920,492

Project Background:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project legislatively mandated? Title 28, Article 9, Sections 1300.75.4.3 and 1300.84.6 require managed care health plans, including the County's Community Health Plan (CHP) and the State Department of Managed Health Care, to have a member and enrollment reporting system as well as a data reporting system.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project subvented? If yes, what percentage is offset? These expenditures are offset 100% by state and federal funds, resulting in no NCC.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved?

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

Department of Health Services (DHS) is requesting authorization to execute Amendment Number Five to Agreement Number H-211033 with Health Management Systems, Inc. (HMS) for the ongoing provision of maintenance, support and training for DHS' Patient Management System (PMS) and Department of Public Health's (DPH) Health Center Operations (HCO) system software. This Amendment would extend the current Agreement term, which expires on December 30, 2011 for two years with two one-year options and increases the maximum contract by \$17,153,114, if the both option years are exercised.

Background:

DHS' PMS supports eligibility verification, authorizations, and claims processing for the Medi-Cal Managed Care Program, Healthy Families Program, In-Home Supportive Services Provider Plan, Healthy Way LA Program, and General Relief Health Care Program. DPH's HCO supports patient registering at 15 Health Care sites and clinic scheduling for various clinics at these sites (Sexually Transmitted Diseases, Tuberculosis, Communicable Disease, Immunization, and Refugee Health). It also serves as the repository to capture encounter codes (i.e., ICD-9, CPT) for the purpose of billing Medi-Cal and tracking clinic workload.

In January 1984, a purchase order (PO) was issued to Global Health Systems, Inc. (Global) for the purchase and installation of the proprietary Global PMS and HCO products. Your Board approved two prior Agreements with Global for software system maintenance services for the PMS and HCO system software. On December 14, 1999, your Board approved the Agreement H-211033 with HMS for the continued system maintenance services for PMS and HCO and this Agreement has been subsequently amended four times.

Project Justification/Benefits:

California Code of Regulations Title 28, Article 9, Sections 1300.75.4.3 and 1300.84.6 (Title 28) requires managed care health plans, including the DHS' Community Health Plan administered by DHS to have a member and enrollment reporting system as well as a data reporting system. The PMS component satisfies this requirement for DHS. The HCO component provides needed support for system software at DPH health centers.

DHS conducted a Request for Proposal (RFP) solicitation to replace PMS and began negotiations with highest ranked proposer in March 2010. However, these negotiations were suspended in April 2010 due DHS plans to restructure its health care delivery model (hospital focused in-patient system to Ambulatory Care Network (ACN) preparation for health care reform. Subsequently, in June 2011 the vendor's proposal offer expired. As a result, the

current Agreement with HMS needs to be extended until the restructuring is complete and new business needs documented. With this in place, another solicitation process can be initiated which will appropriately address the appropriate needs and requirements of the County.

Project Metrics:

Successful execution of this Amendment will be measured by DHS and DPH's ability to support its current day-to-day operations using the two systems.

Impact on Service Delivery or Department Operations, if Proposal Is Not Approved:

Approval of this current Amendment will ensure uninterrupted day-to-day operations and continued maintenance, support, and training for the existing PMS and HCO system software. If this Amendment is not approved, DHS day-to-day operations would be severely impacted and the transition to the new ACN business model would be critically impaired.

Alternatives Considered:

Since the existing PMS and HCO software systems are proprietary to HMS, no other alternatives could be considered until such time as the new ACN structure is in place.

Project Risks:

The Chief Information Security Officer reviewed the Amendment and did not identify any security risks or issues.

Risk Mitigation Measures:

Since no significant risks have been identified, no risk mitigation measures are deemed necessary.

Financial Analysis:

This Amendment would increase maximum contract sum of the Agreement by \$17,153,114 (\$16,228,212 for DHS and \$924,902 for DPH) to a total of \$42,920,492, if the both option years are exercised. The table breaks out the services that will be acquired by DHS and DPH under this Amendment.

DHS PMS	
Description	Amount
Project Administration	\$ 1,027,730
Third Party Software (Cache)	113,176
Application Software	277,830
Training	46,986
Professional Services (programming, reports, etc.)	10,102,925
Claims Processing	4,659,565
Total	\$ 16,228,212

DPH HCO

Description (HCO)	Amount
Application Software	\$ 350,430
Operating System Software	95,305
Training	54,817
Professional Services (includes programming)	424,350
Total	\$ 924,902

DHS and DPH represent funding for this Amendment is included in their 2011-12 Final Budget for DHS and DPH. Funding for future years will be requested as part of their annual budget process.

CIO Concerns:

None. We will be requesting periodic reporting from DHS on the progress of the ACN restructuring and any planned systems that may be required to replace PMS.

CIO Recommendations:

The CIO recommends approval of this Amendment.

CIO APPROVAL

Date Final Documents

Received: 10/26/2011

Prepared by: Sanmay Mukhopadhyay

Date: 11/15/2011

Approved:

Date:

Greg Melendy
11/17/2011

EXHIBIT I

AMENDMENT NUMBER FIVE TO

COUNTY AGREEMENT NUMBER H-211033

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

HEALTH MANAGEMENT SYSTEMS, INCORPORATED

FOR

SOFTWARE AND SERVICES

December 2011

**AMENDMENT NUMBER FIVE TO
AGREEMENT FOR SOFTWARE AND SERVICES
(COUNTY AGREEMENT NUMBER H-211033)**

This Amendment Number Five (together with all attachments hereto, this "Amendment") is entered into by and between the County of Los Angeles (hereafter "COUNTY") and Health Management Systems, Incorporated (hereafter "CONTRACTOR") and amends that certain County Agreement Number H-211033, dated December 14, 1999 and amended by Amendment Number One, dated December 10, 2002, and Amendment Number Two, dated March 18, 2003, and Amendment Number Three, dated December 31, 2005, Amendment Number Four, dated December 2, 2008, and captioned "Agreement By and Between the County of Los Angeles and Health Management Systems, Incorporated for Software and Services" (together with all attachments thereto, hereafter "Agreement").

WHEREAS, CONTRACTOR has been providing to COUNTY Software and Services under the Agreement; and

WHEREAS, the term of the Agreement expires on December 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR desire to extend the term of the Agreement under the same terms and conditions, and to increase the Contract Sum for such extension.

NOW, THEREFORE, pursuant to Paragraph 5.0 (Change Notices and Amendments) of the Agreement, COUNTY and CONTRACTOR hereby agree to amend the Agreement as follows:

1. Capitalized terms used in this Amendment (including, without limitation, in

the recitals) have the meanings given to such terms in the Agreement.

2. Paragraph 6.0 (Term) of the body of the Agreement is hereby amended to read as follows:

6.0 TERM:

The term of this Agreement shall commence on December 31, 1999 (hereafter "Effective Date") and shall continue in full force and effect through December 30, 2013 (hereafter "Initial Term"), unless sooner terminated, in whole or in part, as provided herein. At the end of the Initial Term, the Director, or his designee, and CONTRACTOR upon mutual consent may elect to extend the term beyond the stated expiration date of December 30, 2013 for two one-year optional extensions through December 30, 2015 (each an "Extended Term"), by delivering written notice to the CONTRACTOR not later than thirty (30) calendar days prior to the expiration of the Initial Term or the then-current Extended Term, as the case may be.

As used herein, the terms "term of this Agreement" or "Agreement term" shall mean the Initial Term and all Extended Terms mutually agreed to by the Director and CONTRACTOR.

3. Paragraph 7.0 (Contract Sum) of the body of the Agreement is hereby amended to read as follows:

7.0 CONTRACT SUM:

- 7.1 The Contract Sum under this Agreement shall be the total monetary amount payable by COUNTY to CONTRACTOR for supplying all the tasks, deliverables, goods, services, and other work specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve work in writing, no payment shall be due to CONTRACTOR for that work.
- 7.2 The maximum Contract Sum for this Agreement, including all applicable taxes and for all Extended Terms mutually agreed to by the Director and CONTRACTOR, authorized by COUNTY hereunder shall not exceed Thirty-Four Million, Seven Hundred Ten Thousand, Seven Hundred Forty-One Dollars and Nine Cents (\$34,710,741.09), which amount is allocated as set forth in Exhibits B-I and B-II hereto. Notwithstanding such limitation of funds, CONTRACTOR shall satisfactorily perform and complete all work specified in this Agreement.

4. Subparagraph 13.3 (Failure to Procure Insurance) of the body of the Agreement Paragraph 13.0 (Indemnification and Insurance), shall be replaced in its entirety to read as follows:

13.3. Failure to Maintain Insurance: CONTRACTOR'S failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which COUNTY immediately may withhold payments due to CONTRACTOR, and/or suspend or terminate this Agreement. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, the COUNTY may purchase the Required Insurance, and without further notice to CONTRACTOR, deduct the premium cost from sums due to CONTRACTOR or pursue CONTRACTOR reimbursement.

5. Subparagraph 13.4 (Cancellation of or Changes in Insurance) of Agreement Paragraph 13.0 (Indemnification and Insurance), shall be added to read as follows:

13.4. Cancellation of or Changes in Insurance: CONTRACTOR shall provide COUNTY with, or CONTRACTOR'S insurance policies shall contain a provision that COUNTY shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to COUNTY at least ten (10) calendar days in advance of cancellation for non-payment of premium and thirty (30) calendar days in advance for any other cancellation or policy change.

Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the

Agreement, in the sole discretion of the COUNTY, upon which the COUNTY may suspend or terminate this Agreement.

6. Paragraph 64.0 (Business Associate Protected Health Information Disclosure Agreement), of the body of Agreement, shall be replaced in its entirety to read as follows:

64.0 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH):

The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) and their implementing regulations. CONTRACTOR understands and agrees that, as a provider of medical treatment services, it is a “covered entity” under HIPAA/HITECH and, as such, has obligations with respect to the confidentiality, privacy, and security of patients’ medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA/HITECH.

The parties acknowledge their separate and independent obligations

with respect to HIPAA/HITECH, and that such obligations relate to transactions and code sets, privacy, and security. CONTRACTOR understands and agrees that it is separately and independently responsible for compliance with HIPAA/HITECH in all these areas and that COUNTY has not undertaken any responsibility for compliance on CONTRACTOR'S behalf. CONTRACTOR has not relied, and will not in any way rely, on COUNTY for legal advice or other representations with respect to CONTRACTOR'S obligations under HIPAA/HITECH, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

CONTRACTOR and COUNTY understand and agree that each is independently responsible for HIPAA/HITECH compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA/HITECH laws and implementing regulations related to transactions and code sets, privacy, and security.

Each party further agrees that, should it fail to comply with its obligations under HIPAA/HITECH, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.

7. Paragraph 69.0 (Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program) shall be added to the Agreement to read as follows:

69.0 CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S
DEFAULTED PROPERTY TAX REDUCTION PROGRAM:

CONTRACTOR acknowledges that COUNTY has established a goal of ensuring that all individuals and businesses that benefit financially from COUNTY through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon COUNTY and its taxpayers. Unless CONTRACTOR qualifies for an exemption or exclusion, CONTRACTOR warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206.

8. Paragraph 70.0 (TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM) shall be added to the Agreement to read as follows:

70.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN
COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX
REDUCTION PROGRAM:

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Sub-paragraph 69 - Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction

Program shall constitute default under this Agreement. Without limiting the rights and remedies available to COUNTY under any other provision of this Agreement, failure of Contractor to cure such default within ten (10) calendar days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

9. Exhibit B-I (PMS Schedule of Payments) is amended by (a) deleting pages BI-19 through BI-29 added pursuant to Amendment Number Four and (b) adding pages BI-19 through BI-3, which are attached hereto as Attachment I and incorporated herein by reference. Each added page of Exhibit B-I is designated at the bottom as "Added under Amendment Number Five to Agreement".

10. Exhibit B-II (HCO Schedule of Payments) is amended by (a) deleting pages BII-6 through BII-8 added pursuant to Amendment Number Four and (b) adding pages BII-6 through BII-10, which are attached hereto as Attachment II and incorporated herein by reference. Each added page of Exhibit B-II is designated at the bottom as "Added under Amendment Number Five to Agreement".

11. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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**AMENDMENT NUMBER FIVE TO
AGREEMENT FOR SOFTWARE AND SERVICES
(COUNTY AGREEMENT NUMBER H-211033)**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by COUNTY'S Director of Health Services, and Health Management Systems, Incorporated has caused this Amendment to be subscribed in its behalf by its duly authorized officers, this _____ day of _____, 2011.

COUNTY
COUNTY OF LOS ANGELES

By _____
Mitchell H. Katz, M.D.
Director

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY
COUNSEL:

By _____
Deputy County Counsel

CONTRACTOR
HEALTH MANAGEMENT SYSTEMS, INC.

By _____
Signature

Print Name

Title

(AFFIX CORPORATE SEAL)

:

EXHIBIT B-I

PMS SCHEDULE OF PAYMENTS

ANNUAL PMS SOFTWARE MAINTENANCE AND ONGOING PROGRAMMING/TRAINING

NOTE: Amendment Number Five to Agreement commences with 13th Contract Year.

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
37	1	Project Administration			
	1.1				
	1.2	<u>7th Contract Year:</u>			
	1.3	\$ Project Administration	\$17,885.31 per Mo	12 Mos	\$214,623.68
	1.4				
	1.5	<u>8th Contract Year:</u>			
		\$ Project Administration	\$18,421.87 per Mo	12 Mos	\$221,062.39
		<u>9th Contract Year:</u>			
		\$ Project Administration	\$19,158.74 per Mo	12 Mos	\$229,904.88
		<u>10th Contract Year:</u>			
		\$ Project Administration	\$19,733.50 per Mo	12 Mos	\$236,802.03
		<u>11th Contract Year:</u>			
		\$ Project Administration	\$20,325.51 per Mo	12 Mos	\$243,906.12
38		<u>12th Contract Year:</u>			
		\$ Project Administration	\$20,935.27 per Mo	12 Mos	\$251,223.24
		<u>13th Contract Year:</u>			
		\$ Project Administration	\$20,935.27 per Mo	12 Mos	\$251,223.24
		<u>14th Contract Year:</u>			
		\$ Project Administration	\$21,249.30 per Mo	12 Mos	\$254,991.60
		<u>15th Optional Year:</u>			
		\$ Project Administration	\$21,568.04 per Mo	12 Mos	\$258,816.48
		<u>16th Optional Year:</u>			
		\$ Project Administration	\$21,891.56 per Mo	12 Mos	\$262,698.72
	2	System Hardware			
	2.1				
	2.1.1 to 2.1.7	<u>7th Contract Year:</u>			
		\$ System Hardware			\$0.00
		<u>8th Contract Year:</u>			
		\$ System Hardware			\$0.00
		<u>9th Contract Year:</u>			
		\$ System Hardware			\$0.00
		<u>10th Contract Year:</u>			
		\$ System Hardware			\$0.00
		<u>11th Contract Year:</u>			
		\$ System Hardware			\$0.00
		<u>12th Contract Year:</u>			
		\$ System Hardware			\$0.00

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>13th Contract Year:</u> \$ System Hardware			\$0.00
		<u>14th Contract Year:</u> \$ System Hardware			\$0.00
		<u>15th Optional Year:</u> \$ System Hardware			\$0.00
		<u>16th Optional Year:</u> \$ System Hardware			\$0.00
39	3	Operating System Software			
		<u>7th Contract Year:</u> \$ System Software			\$0.00
		<u>8th Contract Year:</u> \$ System Software			\$0.00
		<u>9th Contract Year:</u> \$ System Software			\$0.00
		<u>10th Contract Year:</u> \$ System Software			\$0.00
		<u>11th Contract Year:</u> \$ System Software			\$0.00
		<u>12th Contract Year:</u> \$ System Software			\$0.00
		<u>13th Contract Year:</u> \$ System Software			\$0.00
		<u>14th Contract Year:</u> \$ System Software			\$0.00
		<u>15th Optional Year:</u> \$ System Software			\$0.00
		<u>16th Optional Year:</u> \$ System Software			\$0.00
40	4	PMS Application Platform (Cache)			
		<u>7th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>8th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>9th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>10th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>11th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>12th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>13th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		\$ PMS Operating System Software License Upgrade One-Time Fee(Cache)	\$38,000 One-Time Fee	One-Time Fee	\$38,000.00
		<u>14th Contract Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>15th Optional Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
		<u>16th Optional Year:</u> \$ PMS Operating System Software (Cache)	\$1,566.18 per Mo	12 Mos	\$18,794.13
41	4 4.1 4.2 4.2.1 4.2.2	PMS Application Software <u>7th Contract Year:</u> \$ PMS Application Software <u>8th Contract Year:</u> \$ PMS Application Software <u>9th Contract Year:</u> \$ PMS Application Software <u>10th Contract Year:</u> \$ PMS Application Software <u>11th Contract Year:</u> \$ PMS Application Software <u>12th Contract Year:</u> \$ PMS Application Software <u>13th Contract Year:</u> \$ PMS Application Software	 \$5,788.13 per Mo \$5,788.13 per Mo \$5,788.13 per Mo \$5,788.13 per Mo \$5,788.13 per Mo \$5,788.13 per Mo	 12 Mos 12 Mos 12 Mos 12 Mos 12 Mos 12 Mos	 \$69,457.50 \$69,457.50 \$69,457.50 \$69,457.50 \$69,457.50 \$69,457.50

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>14th Contract Year:</u> \$ PMS Application Software	\$5,788.13 per Mo	12 Mos	\$69,457.50
		<u>15th Optional Year:</u> \$ PMS Application Software	\$5,788.13 per Mo	12 Mos	\$69,457.50
		<u>16th Optional Year:</u> \$ PMS Application Software	\$5,788.13 per Mo	12 Mos	\$69,457.50
42	5 5.1	Database/Database Support and Maintenance <u>7th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>8th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>9th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>10th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>11th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>12th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>13th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>14th Contract Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>15th Optional Year:</u> \$ Database/Database Support Maintenance			\$0.00
		<u>16th Optional Year:</u> \$ Database/Database Support Maintenance			\$0.00

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
43	6 6.1	<u>Reports</u> <u>7th Contract Year:</u> <u>\$ Reports</u> <u>8th Contract Year:</u> <u>\$ Reports</u> <u>9th Contract Year:</u> <u>\$ Reports</u> <u>10th Contract Year:</u> <u>\$ Reports</u> <u>11th Contract Year:</u> <u>\$ Reports</u> <u>12th Contract Year:</u> <u>\$ Reports</u> <u>13th Contract Year:</u> <u>\$ Reports</u> <u>14th Contract Year:</u> <u>\$ Reports</u> <u>15th Optional Year:</u> <u>\$ Reports</u> <u>16th Optional Year:</u> <u>\$ Reports</u>	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications
44	7 7.1 7.2 7.3 7.4 7.5	<u>Interfaces</u> <u>7th Contract Year:</u> <u>\$ Interfaces</u> <u>8th Contract Year:</u> <u>\$ Interfaces</u> <u>9th Contract Year:</u> <u>\$ Interfaces</u> <u>10th Contract Year:</u> <u>\$ Interfaces</u> <u>11th Contract Year:</u> <u>\$ Interfaces</u> <u>12th Contract Year:</u> <u>\$ Interfaces</u> <u>13th Contract Year:</u> <u>\$ Interfaces</u> <u>14th Contract Year:</u> <u>\$ Interfaces</u>	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>15th Optional Year:</u> \$ Interfaces <u>16th Optional Year:</u> \$ Interfaces			
45	7.2	Code Table Updates <u>7th Contract Year:</u> \$ Code Table Updates <u>8th Contract Year:</u> \$ Code Table Updates <u>9th Contract Year:</u> \$ Code Table Updates <u>10th Contract Year:</u> \$ Code Table Updates <u>11th Contract Year:</u> \$ Code Table Updates <u>12th Contract Year:</u> \$ Code Table Updates <u>13th Contract Year:</u> \$ Code Table Updates <u>14th Contract Year:</u> \$ Code Table Updates <u>15th Optional Year:</u> \$ Code Table Updates <u>16th Optional Year:</u> \$ Code Table Updates	 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00		 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
46	8 8.1 8.1.1 to 8.1.7 8.2 8.2.1 8.2.2	Security <u>7th Contract Year:</u> \$ Security <u>8th Contract Year:</u> \$ Security <u>9th Contract Year:</u> \$ Security <u>10th Contract Year:</u> \$ Security <u>11th Contract Year:</u> \$ Security <u>12th Contract Year:</u> \$ Security <u>13th Contract Year:</u> \$ Security	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>14th Contract Year:</u> \$ Security <u>15th Optional Year:</u> \$ Security <u>16th Optional Year:</u> \$ Security			
47	9	Data Conversion/Migration <u>7th Contract Year:</u> \$ Data Conversion/Migration <u>8th Contract Year:</u> \$ Data Conversion/Migration <u>9th Contract Year:</u> \$ Data Conversion/Migration <u>10th Contract Year:</u> \$ Data Conversion/Migration <u>11th Contract Year:</u> \$ Data Conversion/Migration <u>12th Contract Year:</u> \$ Data Conversion/Migration <u>13th Contract Year:</u> \$ Data Conversion/Migration <u>14th Contract Year:</u> \$ Data Conversion/Migration <u>15th Optional Year:</u> \$ Data Conversion/Migration <u>16th Optional Year:</u> \$ Data Conversion/Migration	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications	Refer to Other Professional Services - Custom Programming Modifications or Regulatory Requirements Modifications
48	10 10.5 10.6 10.7 10.8 10.9	User and Technical Training <u>7th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the	\$70.30 Per Hr	0 Hrs	\$0.00

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		COUNTY; not included in maximum hrs)			
		<u>8th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$72.41 Per Hr	0 Hrs	\$0.00
		<u>9th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$75.30 per Hr	0 Hrs	\$0.00
		<u>10th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$75.30 per Hr	0 Hrs	\$0.00
		<u>11th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$78.31 per Hr	100 Hrs	\$7,831.00
		<u>12th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$78.31 per Hr	100 Hrs	\$7,831.00
		<u>13th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$78.31 Per Hr	150 Hrs	\$11,746.50
		<u>14th Contract Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$78.31 Per Hr	150 Hrs	\$11,746.50
		<u>15th Optional Year:</u> \$ User and Technical Training (First 100hrs are at no cost to the COUNTY; not included in maximum hrs)	\$78.31 per Hr	150 Hrs	\$11,746.50

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
	11.11 11.11.1 to 11.11.6	<u>10th Contract Year:</u> \$ Application Maintenance <u>11th Contract Year:</u> \$ Application Maintenance <u>12th Contract Year:</u> \$ Application Maintenance <u>13th Contract Year:</u> \$ Application Maintenance <u>14th Contract Year:</u> \$ Application Maintenance <u>15th Optional Year:</u> \$ Application Maintenance <u>16th Optional Year:</u> \$ Application Maintenance			\$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00
51	11.7 11.7.1 to 11.7.15	Other Professional Services - Custom Programming Modifications <u>7th Contract Year:</u> \$ Other Professional Services - Custom Programming Modifications <u>8th Contract Year:</u> \$ Other Professional Services - Custom Programming Modifications(500hrs at no cost to the COUNTY not included in maximum hours) <u>9th Contract Year:</u> \$ Other Professional Services - Custom Programming Modifications(500hrs at no cost to the COUNTY not included in maximum hours) <u>10th Contract Year:</u> \$ Other Professional Services - Custom Programming Modifications <u>11th Contract Year:</u> \$ Other Professional Services - Custom Programming Modifications	\$127.09 per Hr \$139.80 per Hr \$153.78 per Hr \$169.16 per Hr \$186.08 per Hr	11,904 Hrs (maximum) 11,404 Hrs (maximum) 11,404 Hrs (maximum) 11,904 Hrs (maximum) 11,904 Hrs (maximum)	\$1,512,926.98 \$1,594,317.97 \$1,753,749.77 \$2,013,705.81 \$2,215,096.32

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>12th Contract Year:</u> \$ Other Professional Services - Regulatory Requirements Modifications			\$0.00
		<u>13th Contract Year:</u> \$ Other Professional Services - Regulatory Requirements Modifications			\$0.00
		<u>14th Contract Year:</u> \$ Other Professional Services - Regulatory Requirements Modifications			\$0.00
		<u>15th Optional Year:</u> \$ Other Professional Services - Regulatory Requirements Modifications			\$0.00
		<u>16th Optional Year:</u> \$ Other Professional Services - Regulatory Requirements Modifications			\$0.00
53	12 12.2 12.3 12.4 12.5 12.6 12.7 12.7.1 12.7.2	Operation Requirements and Production Support <u>7th Contract Year:</u> \$ Operation Requirements and Production Support <u>8th Contract Year:</u> \$ Operation Requirements and Production Support <u>9th Contract Year:</u> \$ Operation Requirements and Production Support <u>10th Contract Year:</u> \$ Operation Requirements and Production Support <u>11th Contract Year:</u> \$ Operation Requirements and Production Support <u>12th Contract Year:</u> \$ Operation Requirements and Production Support			 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>13th Contract Year:</u> \$ Operation Requirements and Production Support			\$0.00
		<u>14th Contract Year:</u> \$ Operation Requirements and Production Support			\$0.00
		<u>15th Optional Year:</u> \$ Operation Requirements and Production Support			\$0.00
		<u>16th Optional Year:</u> \$ Operation Requirements and Production Support			\$0.00
54	12.1	Claims Entry/Processing <u>7th Contract Year:</u> \$ Claims Entry/Processing <u>8th Contract Year:</u> \$ Claims Entry/Processing <u>9th Contract Year:</u> \$ Claims Entry/Processing (Revised under Change Notice Number One to increase claims by 39,330 due to expansion of fee- for-service hospital contracts and claims services for IHSS). <u>10th Contract Year:</u> \$ Claims Entry/Processing (Increase of 76,388 claims from Change Notice Number One due to possible expansion of fee-for-services hospital contracts and continued claims services for IHSS). <u>11th Contract Year:</u> \$ Claims Entry/Processing <u>12th Contract Year:</u> \$ Claims Entry/Processing	\$2.00 per Claim \$2.00 per Claim \$2.00 per Claim \$2.00 per Claim \$2.00 per Claim	139,821 Claims (maximum) 150,514 Claims (maximum) 220,830 Claims (maximum) 276,038 Claims (maximum) 345,047 Claims (maximum) 431,309 Claims (maximum)	\$279,642.00 \$301,028.00 \$441,660.93 \$552,076.00 \$690,094.00 \$862,618.00

No	Delivery	Deliverable Title	Rate per Yr/Mo/Hr/Claim	Yrs/Mos/Hrs/ Claims per Yr	Annual Price
		<u>13th Contract Year:</u> \$ Claims Entry/Processing	\$2.00 per Claim	502,000 Claims (maximum)	\$1,004,000.00
		<u>14th Contract Year:</u> \$ Claims Entry/Processing	\$2.00 per Claim	552,200 Claims (maximum)	\$1,104,400.00
		<u>15th Optional Year:</u> \$ Claims Entry/Processing	\$2.00 per Claim	607,420 Claims (maximum)	\$1,214,840.00
		<u>16th Optional Year:</u> \$ Claims Entry/Processing	\$2.00 per Claim	668,162 Claims (maximum)	\$1,336,324.00
7th Contract Year					\$2,095,444.28
8th Contract Year					\$2,204,659.99
9th Contract Year					\$2,513,567.21
10th Contract Year					\$2,890,835.46
11th Contract Year					\$3,245,179.07
12th Contract Year					\$3,544,208.63
13th Contract Year					\$3,829,851.13
14th Contract Year					\$3,954,468.13
15th Optional Year					\$4,128,611.06
16th Optional Year					\$4,315,281.97
TOTAL (PMS):					\$32,722,106.93

ATTACHMENT II

EXHIBIT B-II

HCO SCHEDULE OF PAYMENTS

ANNUAL HCO SOFTWARE MAINTENANCE AND ONGOING PROGRAMMING/TRAINING

NOTE: Amendment Number Five to Agreement commences with 13th Contract Year.

No	Deliv	Deliverable Title	Rate per Yr/Mo/Hr	Yrs/Mos/Hrs per Yr	Annual Price
9	1.1	Emergency and Preventive System Software Maintenance - HCO Application Software			
		<u>7th Contract Year:</u> • HCO Application Software	\$6,098.89 per Mo	12 Mos	\$73,186.67
		<u>8th Contract Year:</u> • HCO Application Software	\$6,281.86 per Mo	12 Mos	\$75,382.27
		<u>9th Contract Year:</u> • HCO Application Software	\$6,533.13 per Mo	12 Mos	\$78,397.56
		<u>10th Contract Year:</u> • HCO Application Software	\$6,729.12 per Mo	12 Mos	\$80,749.49
		<u>11th Contract Year:</u> • HCO Application Software	\$6,931.00 per Mo	12 Mos	\$83,172.00
		<u>12th Contract Year:</u> • HCO Application Software	\$7,138.93 Per Mo	12 Mos	\$85,660.68
		<u>13th Contract Year:</u> • HCO Application Software	\$7,138.39 per Mo	12 Mos	\$85,660.68
		<u>14th Contract Year:</u> • HCO Application Software	\$7,245.47 per Mo	12 Mos	\$86,945.59
		<u>15th Optional Year:</u> • HCO Application Software	\$7,354.15 per Mo	12 Mos	\$88,249.77
		<u>16th Optional Year:</u> • HCO Application Software	\$7,464.46 per Mo	12 Mos	\$89,573.52

ATTACHMENT II

No	Deliv	Deliverable Title	Rate per Yr/Mo/Hr	Yrs/Mos/Hrs per Yr	Annual Price
10	1.2.1 1.2.2	Emergency and Preventive System Software Maintenance - HCO Operating Software			
		<u>7th Contract Year:</u> • HCO Operating Software (Cache)	\$1,108.32 per Mo	12 Mos	\$13,299.85
		<u>8th Contract Year:</u> • HCO Operating Software (Cache)	\$1,141.57 per Mo	12 Mos	\$13,698.85
		<u>9th Contract Year:</u> • HCO Operating Software (Cache)	\$1,187.23 per Mo	12 Mos	\$14,246.80
		<u>10th Contract Year:</u> • HCO Operating Software (Cache)	\$1,222.85 per Mo	12 Mos	\$14,674.21
		<u>11th Contract Year:</u> • HCO Operating Software (Cache)	\$1,271.77 per Mo	12 Mos	\$15,261.24
		<u>12th Contract Year:</u> • HCO Operating Software (Cache)	\$1,309.92 per Mo	12 Mos	\$15,719.04
		<u>13th Contract Year:</u> • HCO Operating Software (Cache)	\$1,309.92 per Mo	12 Mos	\$15,719.04
		• HCO Operating Software Platform Change from AIX to LINUX (Cache)	\$31,000.00 One-Time Fee	One-Time Fee	\$31,000.00
		<u>14th Contract Year:</u> • HCO Operating Software (Cache)	\$1,329.57 per Mo	12 Mos	\$15,954.83
11	2.1	Software Updates - HCO System Software			
		<u>7th Contract Year:</u> • HCO System Software			\$0.00

ATTACHMENT II

No	Deliv	Deliverable Title	Rate per Yr/Mo/Hr	Yrs/Mos/Hrs per Yr	Annual Price
		<u>8th Contract Year:</u> • HCO System Software			\$0.00
		<u>9th Contract Year:</u> • HCO System Software			\$0.00
		<u>10th Contract Year:</u> • HCO System Software			\$0.00
		<u>11th Contract Year:</u> • HCO System Software			\$0.00
		<u>12th Contract Year:</u> • HCO System Software			\$0.00
		<u>13th Contract Year:</u> • HCO System Software			\$0.00
		<u>14th Contract Year:</u> • HCO System Software			\$0.00
		<u>15th Optional Year:</u> • HCO System Software			\$0.00
		<u>16th Optional Year:</u> • HCO System Software			\$0.00
12	3.1	Ongoing Programming/ Training - HCO Ongoing Programming/ Training <u>7th Contract Year:</u> • Programming • Training <u>8th Contract Year:</u> • Programming • Training <u>9th Contract Year:</u> • Programming (Increase of 100 hours from Amendment No. 3 due to software enhancements for business needs). • Training	 \$127.09 per Hr \$70.30 per Hr \$139.80 per Hr \$72.41 per Hr \$153.78 per Hr \$75.30	 300 Hrs (maximum) 175 Hrs (maximum) 300 Hrs (maximum) 175 Hrs (maximum) 400 Hrs (maximum) 175 Hrs	 \$38,128.20 (maximum) \$12,302.06 (maximum) \$41,941.02 (maximum) \$12,671.12 (maximum) \$61,512.00 (maximum) \$13,177.97

ATTACHMENT II

No	Deliv	Deliverable Title	Rate per Yr/Mo/Hr	Yrs/Mos/Hrs per Yr	Annual Price
			per Hr	(maximum)	(maximum)
		<u>10th Contract Year:</u> • Programming (Increase of 100 hours from Amendment No. 3 due to software enhancements for business needs).	\$169.16 per Hr	500 Hrs (maximum)	\$84,580.00 (maximum)
		• Training	\$75.30 per Hr	175 Hrs (maximum)	\$13,177.97 (maximum)
		<u>11th Contract Year:</u> • Programming	\$186.08 per Hr	500 Hrs (maximum)	\$93,040.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
		<u>12th Contract Year:</u> • Programming	\$204.69 per Hr	500 Hrs (maximum)	\$102,345.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
		<u>13th Contract Year:</u> • Programming	\$204.69 per Hr	500 Hrs (maximum)	\$102,345.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
		<u>14th Contract Year:</u> • Programming	\$209.60 per Hr	500 Hrs (maximum)	\$104,800.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
		<u>15th Optional Year:</u> • Programming	\$214.63 per Hr	500 Hrs (maximum)	\$107,315.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
		<u>16th Optional Year:</u> • Programming	\$219.78 per Hr	500 Hrs (maximum)	\$109,890.00 (maximum)
		• Training	\$78.31 per Hr	175 Hrs (maximum)	\$13,704.25 (maximum)
7th Contract Year					\$136,916.79
8th Contract Year					\$143,693.27
9th Contract Year					\$167,334.33
10th Contract Year					\$193,181.67
11th Contract Year					\$205,177.49

ATTACHMENT II

No	Deliv	Deliverable Title	Rate per Yr/Mo/Hr	Yrs/Mos/Hrs per Yr	Annual Price
		12th Contract Year			\$217,428.97
		13th Contract Year			\$248,428.97
		14th Contract Year			\$221,404.67
		15th Optional Year			\$225,463.17
		16th Optional Year			\$229,604.83
		TOTAL (HCO)			\$1,988,634.16